THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

Provides a shared blueprint for peace and prosperity for people and the planet, now and into the future.

What is Sustainability?

"Development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

(Brundtland Report, 1987)

Sustainable Development Goals (SDGs)





















In 2015, 193 countries adopted the 17 Global Goals with 169 targets and 248 indicators to achieve a better and more sustainable future for all.

The blueprint provides a coherent, holistic, integrated framework for addressing the most urgent global sustainable challenges - protecting environment, tackling climate change, ending poverty and hunger, reducing inequalities, improving access to healthcare and education as well as building strong institutions and partnership.

It calls for a joint action by governments, businesses and civil societies worldwide to solve the pressing global sustainable issues.

Benefits of Achieving SDGs

- Generate at least **USD12t** worth of market opportunities by 2030
- Unlock 50% of the value of business opportunities in developing countries
- Create 380m jobs by 2030, almost 90% of which would be in developing countries

380m

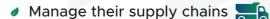
ESG is here to stay...

ESG IS ABOUT HOW COMPANIES:

Respond to climate change











ENVIRONMENTAL

Seek an equilibrium between economic objectives and environmental considerations while making company decisions and adopt ecologically compatible conduct, technology and methods.

GHG emissions. Deforestation, Biodiversity. Waste Management, Pollution, Energy Efficiency & Renewable Energy



SOCIAL

Contribute to meaningful change in business by utilising local resources and strengthening employees, suppliers, customers and communities.

Migrant Workers, Child Labour, Forced Labour, Working Condition, Employees Relations & Diversity, Training, Health & Safety, Local Communities

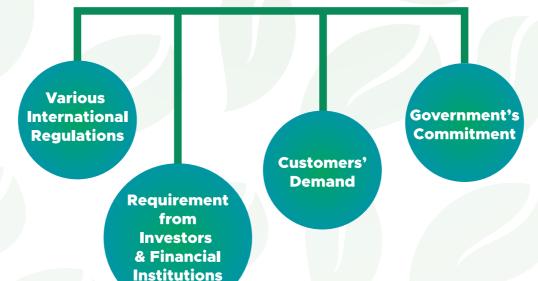


GOVERNANCE

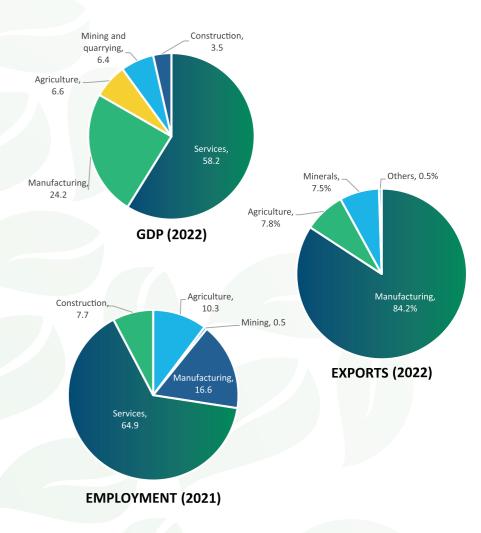
Implement best practice governance principles to operate an ethical business that are trusted by stakeholders.

Corruption, Board Diversity and Structure, Executive Remuneration, Tax Strategy, Regulatory Policies, Whistleblower Programme

PUSH FACTORS



MANUFACTURING SECTOR'S CONTRIBUTION



ISSUES AND CHALLENGES



1. Lack of awareness on the impact of and the need for industries to adopt ESG practices.



2. Difficulty in understanding, managing and quantifying ESG risks as the topic is so broad and covers many facets.



3. Training, adoption of technology and digital platform are additional cost to organisations, especially for MSMEs.



4. The mix bag of competing standards and frameworks is a big challenge for organisations as 85% of companies are using, not one, but multiple ESG reporting frameworks.



5. International standards are quickly changing and organisations will have to continuously update their data management and transform it into meaningful disclosure



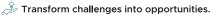
Scan for more details

VISION

For the manufacturing sector to be economically beneficial, environmentally sustainable and

MISSION

Support manufacturing firms to learn, be agile and adopt ESG practices.



Foster symbiotic public-private partnership for value creation.

OBJECTIVE

To build and strengthen a system to encourage and enhance ESG practices in the manufacturing sector.

- 1 Assess readiness of manufacturing companies, especially MSMEs towards embracing ESG principles.
- 2 Provide clear, consistent and coherent guidelines for industries in transitioning towards ESG practices.
- 3 Put in place appropriate enablers to assist manufacturers to adopt ESG practices.
- 4 Estimate annual GHG reduction by manufacturing subsectors in line with nation's climate goals.

i-ESG Framework:

A phased approach

Phase 1.0

Just Transition (2024-2026)



journey by providing guidelines, capacity building and outreach programmes, mentoring and financing

Seamless shift

towards sustainable

production and

consumption

Phase 2.0

Acceleration Phase (2027-2030)



Move in line with national and international requirement

Support industries to embark on ESG



Empower sustainability reporting





Enhance export competitiveness and market expansion



Achieve net-zero GHG emissions by 2050

EXPECTED OUTCOME

i-ESG FRAMEWORK: AN OVERVIEW

SDGS (17 GOALS)

12TH MALAYSIA PLAN

Advancing Sustainability and NDC target

EKONOMI MADANI

NIP

Clear standards and strengthened regulations for ESG disclosure

NIMP

Mission 3: Push for Net Zero Enhance ESG practices

i-ESG Framework

oster economically beneficial, environmentally sustainable and socially equitable manufacturing sector



CAPACITY BUILDING

FINANCING

MARKET MECHANISM

17 STRATEGIES

Establish financing marke

Promote Green Financing

i-ESGStart works?

04

05

CSI Platform

- Reporting through Bursa's CSI platform or non-digital (annual

TRACK

Digital Tools

Monitor indicators
Track performance

(daily, monthly, quarterly or annually

REPORT

ESG Financing Options

Promote net-zero

technologies

incentives

50 DELIVERABLES

Stakeholder Human Capital Financing Digitalisation Technology Engagement & Capabilities Incentives

i-ESGReady: Design and conduct ESG readiness assessment to evaluate the extent of companies' readiness in their

i-ESGStart: Formulate a clear, consist and coherent sustainability reporting guidelines for manufacturers intiating at a foundation stage of their ESG endeavors

Standard

Utilise digital tools for the collection and

Transition to net-zero industrial parks

FSG journey

Introduce a carbon price certificate as a proactive measure to ensure compliance with the Carbon Border

Develop carbon footprint for products

ASSESS

ENABLERS

01

i-ESGReady

Capacity Building

KenalESG: Conduct awareness programmes across regions, with a specific focus on reaching out to MSMFs

GSEP: Raise awareness among ninistries and government agenc including state and local councils

02

PLAN

i-ESGStart

03

i-ESGStart

- How to set target? How to engage stakeholders?
How to do materiality assessm

mote ESG training program tailored for MSMEs, encompassing globally acknowledged ESG Certification Courses

ESG training programmes for

Establish a CSRMatch platform

Market Mechanis

Aligned with other national policies

Master Plan, National Energy Policy,

National Renewable Energy Policy

& Action Plan, Low Carbon Mobility

Blueprint, National Anti-Corruption

Plan, National Community Policy,

on Forced Labour, etc

Business & Human Rights, National

Women Policy, National Action Plan

- NDC Roadmap, LT-LEDS, Malaysian Green Technology

Pricing Instruments Launch SDG Investor

How





NATIONAL INDUSTRY ENVIRONMENTAL, SOCIAL & GOVERNANCE FRAMEWORK

Phase 1.0: "Just Transition"

